



C A L I F O R N I A D E P A R T M E N T O F

Mental Health

Division of Program Compliance – Audits Branch
1600 9th Street, Sacramento, CA 95814
(916) 445-1554, FAX (916) 445-1588

May 16, 2008

Mary Anne Ford Sherman, Director
Kings County Behavioral Health Administration
450 Kings County Drive, Ste. 104
Hanford, CA 93230

Dear Ms. Readel:

AUDIT REPORT – KINGS COUNTY MENTAL HEALTH SERVICES

We have examined the Short-Doyle/Medi-Cal Cost Reporting and Data Collection (CR/DC) report of Kings County Mental Health for the fiscal period July 1, 2002 to June 30, 2003. Our examination was made in accordance with Section 14170 of the Welfare and Institutions Code and included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the amount shown in the accompanying Summary of Net Federal Share of Federal Short-Doyle/Medi-Cal Program Costs and State General Fund under EPSDT program (Schedule 1) represents the actual net program costs allowable under the above mentioned statutes.

The effect of this revised allowable program costs is as follows:

NET PROGRAM COSTS

	<u>Settled</u>	<u>Allowed</u>	<u>Adjustment</u>
Federal Share of Short-Doyle/Medi-Cal	\$ 2,552,704	\$ 2,372,381	\$ (180,323)
Federal Share of Health Families/Medi-Cal	\$ 91,697	\$ 91,937	\$ 240
State General Funds EPSDT Due State	\$ 642,634	\$ 590,672	\$ (51,962)

If you disagree with any of the results of this audit, you may request an informal appeal conference.

Mary Anne Ford Sherman, Director
May 16, 2008
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This request must be in writing and received by the Department of Health Care Services within sixty (60) calendar days following the date of receipt of this report. Your notice of disagreement should be directed to Vicki Orlich, Chief, Administrative Appeals, Office of Legal Services, Department of Health Services, 1029 J Street, Suite 200, Sacramento, California 95814, and be in conformance with provisions of Sections 51016 and sequence, Title 22, of the California Code of Regulations.

Sincerely,

Chau Sherman
for WALTER J. HILL, JR., MBA, EA
Chief of Audits

Chau Sherman
CHUKWUEMEKA OKEMIRI, CPA
Supervisor, Northern Region Audits

Enclosures

Certified Mail

KINGS COUNTY
COMMUNITY MENTAL HEALTH SERVICES
SUMMARY OF NET REIMBURSABLE MEDI-CAL PROGRAM COSTS
FISCAL YEAR ENDED JUNE 30, 2003

		As Settled	Audit Adjustments	As Audited
<u>NET REIMBURSABLE MEDI-CAL</u>				
<u>PROGRAM COSTS</u>				
COUNTY - FFP				
MEDI-CAL - FFP	(Sch. 2a)	\$ 0	\$ 0	\$ 0
HEALTHY FAMILIES - FFP	(Sch. 2a)	0	0	0
TOTAL FFP - COUNTY PROVIDER		\$ 0	\$ 0	\$ 0
CONTRACT PROVIDERS - FFP				
MEDI-CAL - FFP	(Sch. 3b)	\$ 2,552,704	\$ (180,323)	\$ 2,372,381
HEALTHY FAMILIES - FFP	(Sch. 3b)	91,697	240	91,937
TOTAL FFP - CONTRACT PROVIDER		\$ 2,644,401	\$ (180,083)	\$ 2,464,318
<u>TOTAL FFP - COUNTY PLUS CONTRACT PROVIDERS</u>				
MEDI-CAL - FFP		\$ 2,552,704	\$ (180,323)	\$ 2,372,381
HEALTHY FAMILIES - FFP		91,697	240	91,937
TOTAL FFP - CONTRACT PROVIDER		\$ 2,644,401	\$ (180,083)	\$ 2,464,318
<u>SUMMARY OF STATE GENERAL FUNDS</u>				
EPSDT - SGF	(Sch. 4)	\$ 642,634	\$ (51,962)	\$ 590,672

KINGS COUNTY SUMMARY OF CONTRACT PROVIDERS' MEDI-CAL COST FISCAL PERIOD ENDED JUNE 30, 2003										
Legal Entity Number	Legal Entity	(11) Total Revenue (Excl. HFP)	(12) Healthy Families Revenue	(13) Total Revenue (Excl. HFP)	(14) Healthy Families Revenue	(15) Total Net Cost (Excl. HFP)	(16) Net Cost Healthy Families	(17) Total Net Cost (Excl. HFP)	(18) Net Cost Healthy Families	(19) Total MAA FFP
		INPATIENT		OUTPATIENT		INPATIENT		OUTPATIENT		Reimbursement
		(MH 1968, Ln 28 to 30)	(MH 1968, Ln 31)	(MH 1968, Ln 28 to 30)	(MH 1968, Ln 31)	(Col 4-11)	(Col 5-12)	(Col 9-13)	(Col 10-14)	(MH 1979, Ln 11-13)
00233	Kings View Counseling Services	\$ 0	\$ 0	\$ 23,690	\$ 100	\$ 0	\$ 0	\$ 4,180,764	\$ 137,482	\$ 0
GRAND TOTAL		\$ 0	\$ 0	\$ 23,690	\$ 100	\$ 0	\$ 0	\$ 4,180,764	\$ 137,482	\$ 0

KINGS COUNTY
SUMMARY OF CONTRACT PROVIDERS' MEDICAL COST
FISCAL PERIOD ENDED JUNE 30, 2003

Legal Entity Number	Legal Entity	{20}		{21}		{22}		{23}		{24}		{25}		{26}		{27}		{28}	
		Neg. Rates Exceed Costs (Excl. HFP)	Neg. Rates Exceed Costs Healthy Families	Neg. Rates Exceed Costs (Excl. HFP)	Neg. Rates Exceed Costs Healthy Families	Neg. Rates Exceed Costs (Excl. HFP)	Neg. Rates Exceed Costs Healthy Families	Total SD/MC Reimbursement (FFP)	Healthy Families Reimbursement (FFP)	Total Reimbursement (FFP)	FFP Contract Maximum	Lower of FFP or Contract Maximum							
		INPATIENT (MH 1968, Ln 38 to 39)		INPATIENT (MH 1968, Ln 40, 40A)		OUTPATIENT (MH 1968, Ln 38 to 39)		OUTPATIENT (MH 1968, Ln 40, 40A)		(MH 1979, Line 21)	(MH 1979, Ln. 27)	(Col. 24 + 25)							
00233	Kings View Counseling Services	\$	0	\$	0	\$	372,780	\$	12,635	\$	2,372,381	\$	91,937	\$	2,464,318	\$	6,500,000	\$	2,464,318
GRAND TOTAL		\$	0	\$	0	\$	372,780	\$	12,635	\$	2,372,381	\$	91,937	\$	2,464,318	\$	6,500,000	\$	2,464,318 (To Sch. 1)

KINGS COUNTY
COMMUNITY MENTAL HEALTH SERVICES
COMPUTATION OF EPSDT STATE SHARE PER AUDIT
FISCAL YEAR ENDED JUNE 30, 2003

	As Settled	Audit Adjustments	As Audited
(1) SD/MC Actuals (MH 1979, Lns. 16, 16A, 17, 17A, 18) (including contractors)	4,411,221	(230,457)	4,180,764
(2) Total SD/MC Claims	4,030,324	0	4,030,324
(3) Percent % (Line 1/Line 2)	109.45%	-5.72%	103.73%
(4) EPSDT Claims	1,871,641	0	1,871,641
(5) Actual Cost Settled EPSDT SD/MC (Line 3 X Line 4)	2,048,511	(107,007)	1,941,504
(6) Cost Settled Baseline for EPSDT	725,129	0	725,129
(7) Net Cost Settlement Amount (Line 5 - Line 6)	1,323,382	(107,007)	1,216,375
(8) 48.56% of Net Cost Settlement Amount (Line 7 x 48.56%)	642,634	-(51,962)	590,672
(8a) FY 2001-02 EPSDT settlement	691,227	(1,279)	689,948
(8b) Annual Local Growth (L. 8 - 8a)	0	0	0
(9) County Match 10% of Local Growth (8b x 10%)	0	0	0
(10) Net cost settlement amount (L. 8 - 9)	642,634	(51,962)	590,672
(9) SGF Distribution (Settled and Audited)	642,634	0	642,634
(10) SGF Due (State)	0	(51,962)	(51,962)
			(To Sch. 1)

- Source:
- (1) Total CFRS SD/MC actuals after final Settlement (Col. 1) and Audit (Col. 3) for Net Direct Outpatient Services (includes Mode 05 - SF's 20-94, Mode 10, and Mode 15)
 - (2) Total SD/MC paid claims (total non-hospital, including PHF's) by County Submitting Claims
 - (4) SD/MC paid claims for children under 21 years of age (full scope, non-hospital, including PHF's) including new aid codes by County of Beneficiary
 - (6) Cost Settled Baseline for EPSDT for FY2002-2003, includes increase for FFS/MC provider rate increase.
 - (7) Settlement amount prior to 10% match calculation (8)-(9)
 - (11) SGF gross distribution (See DMH letter dated October 23, 2002 sent to Local Mental Health Directors) Includes adjustment for additional SGF and ASO non participants
 - (13) Amount owed back to the state cannot be more than was advanced or settled.

AUDIT ADJUSTMENTS

Provider KINGS COUNTY				Provider Number 00016	No. of Adj. 3	Fiscal Period Ended 06/30/03	
Report Reference				EXPLANATION OF AUDIT ADJUSTMENTS	As Reported	Increase (Decrease)	As Adjusted
Adj. No.	Form/Sch.	Line	Col.				
				<u>ADJUSTMENTS TO REPORTED SD/MC SETTLEMENT</u>			
1	Sch. 3b	Total	24	TOTAL SD/MC REIMBURSEMENT - CONTRACT PROVIDERS	\$ 2,552,704	\$ \$ (180,323)	\$ 2,372,381
2	Sch. 3b	Total	25	TOTAL HEALTHY FAMILIES REIMBURSEMENT - CONTRACT PROVIDERS	91,697	\$ 240	91,937
				TOTAL REIMBURSEMENT - CONTRACT PROVIDERS	<u>\$ 2,644,401</u>	<u>(180,083)</u>	<u>\$ 2,464,318</u>
				To adjust Total SD/MC Reimbursement (FFP) due to the adjustments to reported costs and units.			
3	Sch. 4	10	3	TOTAL EPSDT SGF	\$ 642,634	\$ (51,962)	\$ 590,672
				To adjust the State General Fund share of EPSDT as a result of adjustments to SD/MC reimbursements as reflected on Lines 16, 16A, 17, 17A, and 18, Column C of the form MH 1979 of the audited County and contract provider cost reports.			
				* Balance carried forward to subsequent adjustment. ** Balance brought forward from prior adjustment.			

CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY

DEPARTMENT OF MENTAL HEALTH

CALCULATION OF PROGRAM COSTS

MH 1960 (10/04)

Fiscal Year 2002-2003

County: KINGS COUNTY

County Code: 16

Legal Entity: KINGS COUNTY		A	B	C
Legal Entity Number: 00016		Salaries and Benefits	Other	Total Costs
1	Mental Health Expenditures		7,776,921	7,776,921
2	Encumbrances			
3	Less: Payments to Contract Providers (County Only)			
4	Other Adjustments (Provide Detail)		(7,192,464)	(7,192,464)
5	Total Costs Before Medi-Cal Adjustments		584,457	584,457
6	Medi-Cal Adjustments from MH 1961			
7	Managed Care Consolidation (County Only)			
8	Allowable Costs for Allocation			584,457
	Administrative Costs (County Only)			
9	SD/MC Administration			
10	Healthy Families Administration			
11	Non-SD/MC Administration			
12	Total Administrative Costs			
	Utilization Review Costs (County Only)			
13	Skilled Professional Medical Personnel			
14	Other SD/MC Utilization Review			
15	Non-SD/MC Utilization Review			
16	Total Utilization Review Costs			
17	Research and Evaluation (County Only)			
18	Mode Costs (Direct Service and MAA)			584,457
19	Total Costs - Lines 9 through 18			584,457

CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY
ALLOCATION OF COSTS TO MODES OF SERVICE
MH 1964 (10/04)

DEPARTMENT OF MENTAL HEALTH
Fiscal Year 2002-2003

County: KINGS COUNTY
County Code: 16

Legal Entity: KINGS COUNTY		A
Legal Entity Number: 00016		Total Costs
1	Mode Costs (Direct Service and MAA) from MH 1960	584,457
	Modes	
2	Hospital Inpatient Services (Mode 05-SFC 10-19)	
3	Other 24 Hour Services (Mode 05-All Other SFC)	251,227
4	Day Services (Mode 10)	
5	Outpatient Services (Mode 15 Program 1 + Program 2)	
6	Outreach Services (Mode 45)	222,130
7	Medi-Cal Administrative Activities (Mode 55)	
8	Support Services (Mode 60)	111,100
9	Total - Lines 2 through 8	584,457

ALLOCATION OF COSTS TO SERVICE FUNCTIONS - MODE TOTAL
MH 1966A (10/04)

DETAIL COST REPORT

PAGE 1 OF 1
Fiscal Year 2002-2003

County: KINGS COUNTY County Code: 16			CR		CR							
Legal Entity: KINGS COUNTY			A	B	C	D	E	F	G			
Legal Entity Number: 00016			Mode Total	Service Function	Service Function	Service Function	Service Function	Service Function	Service Function			
Mode: 05 - Other 24 Hour Services (All Other SFC)				60	60							
1	Allocation Percentage		100.00%	87.03%	12.97%							
2	Total Units			3,502	1,487							
3	Gross Cost		251,227	218,640	32,588							
4	Cost per Unit			62.43	21.91							
5	SMA per Unit											
6	Published Charge per Unit											
7	Negotiated Rate / Cost per Unit											
8	Medi-Cal Units	07/01/02 - 09/30/02										
8A		10/01/02 - 06/30/03										
9	Medicare/Medi-Cal Crossover Units	07/01/02 - 09/30/02										
9A		10/01/02 - 06/30/03										
10	Enhanced SD/MC (Children) Units	07/01/02 - 09/30/02										
10A		10/01/02 - 06/30/03										
10B	Enhanced SD/MC (Refugees) Units	07/01/02 - 06/30/03										
11	Healthy Families (SED) Units	07/01/02 - 09/30/02										
11A		10/01/02 - 06/30/03										
12	Non-Medi-Cal Units			3,502	1,487							
13	Medi-Cal Costs	07/01/02 - 09/30/02										
13A		10/01/02 - 06/30/03										
14	Medi-Cal SMA Upper Limits	07/01/02 - 09/30/02										
14A		10/01/02 - 06/30/03										
15	Medi-Cal Published Charges	07/01/02 - 09/30/02										
15A		10/01/02 - 06/30/03										
16	Medi-Cal Negotiated Rates	07/01/02 - 09/30/02										
16A		10/01/02 - 06/30/03										
17	Medicare/Medi-Cal Crossover Costs	07/01/02 - 09/30/02										
17A		10/01/02 - 06/30/03										
18	Medicare/Medi-Cal Crossover SMA Upper Limits	07/01/02 - 09/30/02										
18A		10/01/02 - 06/30/03										
19	Medicare/Medi-Cal Crossover Published Charges	07/01/02 - 09/30/02										
19A		10/01/02 - 06/30/03										
20	Medicare/Medi-Cal Crossover Negotiated Rates	07/01/02 - 09/30/02										
20A		10/01/02 - 06/30/03										
21	Enhanced SD/MC Costs	07/01/02 - 09/30/02										
21A		10/01/02 - 06/30/03										
22	Enhanced SD/MC SMA Upper Limits	07/01/02 - 09/30/02										
22A		10/01/02 - 06/30/03										
23	Enhanced SD/MC Published Charges	07/01/02 - 09/30/02										
23A		10/01/02 - 06/30/03										
24	Enhanced SD/MC Negotiated Rates	07/01/02 - 09/30/02										
24A		10/01/02 - 06/30/03										
25	Enhanced SD/MC (Refugees) Costs	07/01/02 - 06/30/03										
26	Enhanced SD/MC (Refugees) SMA Upper Limits	07/01/02 - 06/30/03										
27	Enhanced SD/MC (Refugees) Published Charges	07/01/02 - 06/30/03										
28	Enhanced SD/MC (Refugees) Negotiated Rates	07/01/02 - 06/30/03										
29	Healthy Families Costs	07/01/02 - 09/30/02										
29A		10/01/02 - 06/30/03										
30	Healthy Families SMA Upper Limits	07/01/02 - 09/30/02										
30A		10/01/02 - 06/30/03										
31	Healthy Families Published Charges	07/01/02 - 09/30/02										
31A		10/01/02 - 06/30/03										
32	Healthy Families Negotiated Rates	07/01/02 - 09/30/02										
32A		10/01/02 - 06/30/03										
33	Non-Medi-Cal Costs		251,227	218,640	32,588							

CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY

DEPARTMENT OF MENTAL HEALTH

ALLOCATION OF COSTS TO SERVICE FUNCTIONS - MODE TOTAL
MH 1966A (10/04)

DETAIL COST REPORT

PAGE 1 OF 1
Fiscal Year 2002-2003

County: KINGS COUNTY
County Code: 16

CR

Legal Entity: KINGS COUNTY		A	B	C	D	E	F	G
Legal Entity Number: 00016		Mode Total	Service Function	Service Function	Service Function	Service Function	Service Function	Service Function
Mode: 45 - Outreach			20					
1	Allocation Percentage	100.00%	100.00%					
2	Total Units		2,340					
3	Gross Cost	222,130	222,130					
4	Cost per Unit		94.93					
5	Non-Medi-Cal Units		2,340					
6	Non-Medi-Cal Costs	222,130	222,130					

CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY

DEPARTMENT OF MENTAL HEALTH

ALLOCATION OF COSTS TO SERVICE FUNCTIONS - MODE TOTAL
MH 1966A (10/04)

DETAIL COST REPORT

County: KINGS COUNTY
County Code: 16

CR

Legal Entity: KINGS COUNTY		A	B	C	D	E	F	G
Legal Entity Number: 00016		Mode Total	Service Function	Service Function	Service Function	Service Function	Service Function	Service Function
Mode: 60 - Support			30					
1	Allocation Percentage		100.00%	100.00%				
2	Total Units		7,925					
3	Gross Cost	111,100	111,100					
4	Cost per Unit		14.02					
5	Non-Medi-Cal Units (Same as Line 2)		7,925					
6	Non-Medi-Cal Costs (Same as Line 3)	111,100	111,100					